



QUARTERLY STATEMENT

AS OF JUNE 30, 2009

OF THE CONDITION AND AFFAIRS OF THE

PHYSICIANS HEALTH PLAN OF MID MICHIGAN

NAIC Group Code 3408, 3408 NAIC Company Code 95849 Employer's ID Number 38-2356288

Organized under the Laws of Michigan, State of Domicile or Port of Entry Michigan

Country of Domicile US

Licensed as business type:

Life, Accident and Health [] Property/Casualty [] Hospital, Medical and Dental Service or Indemnity []
Dental Service Corporation [] Vision Service Corporation [] Other []
Health Maintenance Organization [X] Is HMO Federally Qualified? Yes () No (X)

Incorporated/Organized December 18, 1980 Commenced Business October 1, 1981

Statutory Home Office 1400 East Michigan Avenue, Lansing, Michigan 48912
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 1400 East Michigan Avenue, Lansing, Michigan 48912 517-364-8400
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1400 East Michigan Avenue, Lansing, Michigan 48912
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 1400 East Michigan Avenue, Lansing, Michigan 48912
(Street and Number, City or Town, State and Zip Code)
517-364-8400
(Area Code) (Telephone Number)

Internet Website Address www.phpmm.org

Statutory Statement Contact Jackie Eddy 517-364-8400
(Name) (Area Code) (Telephone Number) (Extension)
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OFFICERS

Scott Wilkerson (President) Randolph Rifkin (Secretary)
David Vis (Assistant Secretary) Patrick Gribben, Jr# (Treasurer)

OTHER OFFICERS

Marylee Davis, PhD (Chair Person)

DIRECTORS OR TRUSTEES

Wendell Barron
Martha Bibbs
Richard Bruner
Marylee Davis, PhD
Patrick Gribben, Jr
Dennis Muchmore
Thomas Ostrander#
Larry Rawsthorne, MD
Randolph Rifkin
Dawn Springer, MD
Dennis Swan
Scott Wilkerson

State of Michigan }
County of Ingham } SS

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Scott Wilkerson President Randolph Rifkin Secretary David Vis Assistant Secretary

Subscribed and sworn to before me this day of August, 2009

a. Is this an original filing? Yes (X) No ()

b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Col. 1 minus Col. 2)	Prior Year Net Admitted Assets
1. Bonds				
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	13,182,186	5,347	13,176,839	13,239,293
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)	2,084,107		2,084,107	2,127,818
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ (4,714,653)), cash equivalents (\$) and short-term investments (\$ 51,381,472)	46,666,818		46,666,818	41,647,680
6. Contract loans (including \$ premium notes)				
7. Other invested assets	7,942,042	507,919	7,434,123	5,349,882
8. Receivables for securities	11,125		11,125	
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Line 1 to Line 9)	69,886,278	513,266	69,373,012	62,364,673
11. Title plants less \$ charged off (for Title insurers only)				
12. Investment income due and accrued	17,786		17,786	44,040
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	1,439,578	80,449	1,359,129	1,327,982
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	1,370,945		1,370,945	619,646
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset				
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software	8,655,008	8,642,872	12,136	28,591
19. Furniture and equipment, including health care delivery assets (\$)	115,778	115,778		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	5,098,247	1,470,195	3,628,052	4,239,147
22. Health care (\$ 312,502) and other amounts receivable	1,982,257	930,500	1,051,757	522,263
23. Aggregate write-ins for other than invested assets	627,289	627,289		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 10 to Line 23)	89,193,166	12,380,349	76,812,817	69,146,342
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Totals (Line 24 and Line 25)	89,193,166	12,380,349	76,812,817	69,146,342
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)				
2301. PREPAIDS	627,289	627,289		
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above)	627,289	627,289		

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ reinsurance ceded)	16,374,364	529,601	16,903,965	19,427,055
2. Accrued medical incentive pool and bonus amounts.	9,837,842		9,837,842	10,407,640
3. Unpaid claims adjustment expenses	540,310		540,310	601,724
4. Aggregate health policy reserves				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	1,574,729		1,574,729	1,272,272
9. General expenses due or accrued	2,773,519		2,773,519	1,288,626
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others	183,147		183,147	135,913
13. Remittances and items not allocated.				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent , subsidiaries and affiliates	2,651,538		2,651,538	2,862,485
16. Payable for securities				
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)				
18. Reinsurance in unauthorized companies				
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Liability for amounts held under uninsured plans				
21. Aggregate write-ins for other liabilities (including \$ current)				
22. Total liabilities (Line 1 to Line 21)	33,935,449	529,601	34,465,050	35,995,715
23. Aggregate write-ins for special surplus funds	XXX	XXX		
24. Common capital stock	XXX	XXX		
25. Preferred capital stock	XXX	XXX		
26. Gross paid in and contributed surplus	XXX	XXX		
27. Surplus notes	XXX	XXX		
28. Aggregate write-ins for other than special surplus funds	XXX	XXX		
29. Unassigned funds (surplus)	XXX	XXX	42,347,767	33,150,627
30. Less treasury stock, at cost:				
30.1 shares common (value included in Line 24 \$)	XXX	XXX		
30.2 shares preferred (value included in Line 25 \$)	XXX	XXX		
31. Total capital and surplus (Line 23 to Line 29 minus Line 30)	XXX	XXX	42,347,767	33,150,627
32. Total Liabilities, capital and surplus (Line 22 and Line 31)	XXX	XXX	76,812,817	69,146,342
DETAILS OF WRITE-INS				
2101.				
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page				
2199. Totals (Line 2101 through Line 2103 plus Line 2198) (Line 21 above)				
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX		
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above)	XXX	XXX		
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX		
2899. Totals (Line 2801 through Line 2803 plus Line 2898) (Line 28 above)	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year to Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	X X X	254,340	265,366	513,862
2. Net premium income (including \$ non-health premium income)	X X X	89,727,571	89,229,628	175,298,274
3. Change in unearned premium reserves and reserve for rate credits	X X X			
4. Fee-for-service (net of \$ medical expenses)	X X X			
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X			
7. Aggregate write-ins for other non-health revenues	X X X			
8. Total revenues (Line 2 to Line 7)	X X X	89,727,571	89,229,628	175,298,274
Hospital and Medical:				
9. Hospital/medical benefits	1,444,555	46,107,729	48,462,327	89,208,016
10. Other professional services	169,962	5,424,908	6,261,162	10,617,055
11. Outside referrals				
12. Emergency room and out-of-area	212,098	6,769,820	4,343,154	17,191,450
13. Prescription drugs	496,718	15,854,378	14,691,463	28,630,935
14. Aggregate write-ins for other hospital and medical	13,106	418,337	408,051	594,762
15. Incentive pool, withhold adjustments and bonus amounts		5,045,153	5,215,649	10,446,342
16. Subtotal (Line 9 to Line 15)	2,336,439	79,620,325	79,381,806	156,688,560
Less:				
17. Net reinsurance recoveries		783,569	841,168	2,524,568
18. Total hospital and medical (Line 16 minus Line 17)	2,336,439	78,836,756	78,540,638	154,163,992
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$ 1,374,596 cost containment expenses		2,021,465	2,174,747	4,201,512
21. General administrative expenses		5,783,420	6,601,472	12,020,543
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)				
23. Total underwriting deductions (Line 18 through Line 22)	2,336,439	86,641,641	87,316,857	170,386,047
24. Net underwriting gain or (loss) (Line 8 minus Line 23)	X X X	3,085,930	1,912,771	4,912,227
25. Net investment income earned		192,925	468,103	423,010
26. Net realized capital gains (losses) less capital gains tax of \$		(681,007)	16,181	(2,109,608)
27. Net investment gains (losses) (Line 25 plus Line 26)		(488,082)	484,284	(1,686,598)
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)].				
29. Aggregate write-ins for other income or expenses			(2,207)	6,400
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Line 24 plus Line 27 plus Line 28 plus Line 29)	X X X	2,597,848	2,394,848	3,232,029
31. Federal and foreign income taxes incurred	X X X			
32. Net income (loss) (Line 30 minus Line 31)	X X X	2,597,848	2,394,848	3,232,029
DETAILS OF WRITE-INS				
0601.	X X X			
0602.	X X X			
0603.	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)	X X X			
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)	X X X			
1401. OTHER MEDICAL	13,106	418,337	408,051	594,762
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)	13,106	418,337	408,051	594,762
2901. OTHER INCOME			(2,207)	6,400
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)			(2,207)	6,400

STATEMENT OF REVENUE AND EXPENSES (continued)

CAPITAL AND SURPLUS ACCOUNT	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
33. Capital and surplus prior reporting year	33,150,628	38,305,685	38,305,685
34. Net income (loss) from Line 32	2,597,848	2,394,848	3,232,029
35. Change in valuation basis of aggregate policy and claims reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	990,448	(456,964)	(3,078,631)
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			
39. Change in nonadmitted assets	5,608,843	(3,039,669)	(5,308,455)
40. Change in unauthorized reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital Changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Tranferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus			
48. Net change in capital and surplus (Line 34 to Line 47)	9,197,139	(1,101,785)	(5,155,057)
49. Capital and surplus end of reporting period (Line 33 plus Line 48)	42,347,767	37,203,900	33,150,628
DETAILS OF WRITE-INS			
4701.			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. Totals (Line 4701 through Line 4703 plus Line 4798) (Line 47 above)			

CASH FLOW

	1	2
	Current Year To Date	Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	90,216,006	175,436,672
2. Net investment income	219,179	589,893
3. Miscellaneous income	(598,090)	(99,970)
4. Total (Line 1 through Line 3)	89,837,095	175,926,595
5. Benefit and loss related payments	80,660,158	156,730,692
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	6,454,404	19,090,539
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)		
10. Total (Line 5 through Line9)	87,114,562	175,821,231
11. Net cash from operations (Line 4 minus Line 10)	2,722,533	105,364
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		
12.2 Stocks	1,673,337	11,757,742
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		734,840
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	1,673,337	12,492,582
13. Cost of investments acquired (long-term only):		
13.1 Bonds		
13.2 Stocks	1,260,336	11,823,565
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	394,114	626,484
13.7 Total investments acquired (Line 13.1 through Line 13.6)	1,654,450	12,450,049
14. Net increase or (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	18,887	42,533
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	2,277,718	(6,725,090)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	2,277,718	(6,725,090)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	5,019,138	(6,577,193)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	41,647,680	48,224,873
19.2 End of period (Line 18 plus Line 19.1)	46,666,818	41,647,680

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital and Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	40,811	251	39,919				641			
2. First Quarter	42,587	228	41,718				641			
3. Second Quarter	41,739	222	40,608				909			
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	254,340	1,379	247,437				5,524			
Total Member Ambulatory Encounters for Period:										
7. Physician	145,452	1,158	140,311				3,983			
8. Non-Physician	74,539	548	71,950				2,041			
9. Total	219,991	1,706	212,261				6,024			
10. Hospital Patient Days Incurred	4,948	101	4,712				135			
11. Number of Inpatient Admissions	1,942	61	1,829				52			
12. Health Premiums Written (a)	90,756,788	537,410	88,152,954				2,066,424			
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	90,756,788	537,410	88,152,954				2,066,424			
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	79,908,859	473,175	77,155,274				2,280,410			
18. Amount Incurred for Provision of Health Care Services	79,620,325	471,466	76,968,511				2,180,348			

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
0299999 - Aggregate accounts not individually listed-uncovered	38,234	2,627	391	78		41,330
0399999 - Aggregate accounts not individually listed-covered	1,182,122	81,208	12,100	2,424		1,277,854
0499999 - Subtotals	1,220,356	83,835	12,491	2,502		1,319,184
0599999 - Unreported claims and other claim reserves						15,584,781
0799999 - Total claims unpaid						16,903,965
0899999 - Accrued medical incentive pool and bonus amounts						9,837,842

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 plus 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	10,584,727	65,158,399	1,558,886	15,345,079	12,143,613	19,427,055
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other health						
9. Health subtotal (Line 1 to Line 8)	10,584,727	65,158,399	1,558,886	15,345,079	12,143,613	19,427,055
10. Healthcare recievables (a)	241,274	928,728			241,274	3,190,787
11. Other non-health						
12. Medical incentive pools and bonus amounts	4,165,734		4,070,969	5,766,873	8,236,703	10,407,640
13. Totals	14,509,187	64,229,671	5,629,855	21,111,952	20,139,042	26,643,908

(a) Excludes \$ loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

No significant change.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No significant change.

3. BUSINESS COMBINATIONS AND GOODWILL

No significant change.

4. DISCONTINUED OPERATIONS

No significant change.

5. INVESTMENTS

No significant change.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No significant change.

7. INVESTMENT INCOME

No significant change.

8. DERIVATIVE INSTRUMENTS

No significant change.

9. INCOME TAXES

No significant change.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No significant change.

NOTES TO FINANCIAL STATEMENTS

11. DEBT

No significant change.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No significant change.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

No significant change.

14. CONTINGENCIES

No significant change.

15. LEASES

No significant change.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

No significant change.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

No significant change.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

No significant change.

19. DIRECT PREMIUM WRITTEN / PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS

No significant change.

NOTES TO FINANCIAL STATEMENTS

20. OTHER ITEMS

No significant change.

21. EVENTS SUBSEQUENT

No significant change.

22. REINSURANCE

No significant change.

23. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No significant change.

24. CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

No significant change.

25. INTERCOMPANY POOLING ARRANGEMENTS

No significant change.

26. STRUCTURED SETTLEMENTS

No significant change.

27. HEALTH CARE RECEIVABLES

No significant change.

28. PARTICIPATING POLICIES

No significant change.

29. PREMIUM DEFICIENCY RESERVES

No significant change.

30. ANTICIPATED SALVAGE AND SUBROGATION

No significant change.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes () No (X)
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes () No ()
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes () No (X)
- 2.2

If yes, date of change:

.....
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes () No (X)
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes () No (X)
- 4.2

If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes () No (X) N/A ()
- If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2005
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2005
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/28/2007
- 6.4

By what department or departments?

MICHIGAN OFFICE OF FINANCIAL & INSURANCE REGULATION [OFIR]
.....
- 6.5

Have any financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes (X) No () N/A ()
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes (X) No () N/A ()
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes () No (X)
- 7.2

If yes, give full information

.....
.....
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes () No (X)
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

.....
.....
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes () No (X)
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....
.....
.....

GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes (X) No ()
- 9.11

If the response to 9.1 is No, please explain:

.....
.....
- 9.2

Has the code of ethics for senior managers been amended?

Yes () No (X)
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).

.....
.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes () No (X)
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....
.....

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes (X) No ()
- 10.2

If yes, indicate the amounts receivable from parent included in the Page 2 amount:

\$ 3,628,052

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes () No (X)
- 11.2

If yes, give full and complete information relating thereto:

.....
.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
13.

Amount of real estate and mortgages held in short-term investments:

\$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes (X) No ()
- 14.2

If yes, please complete the following:
- | | 1
Prior Year-End Book/
Adjusted Carrying Value | 2
Current Quarter Book/
Adjusted Carrying Value |
|---|--|---|
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ 7,318,798 | \$ 6,921,160 |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ 5,349,882 | \$ 7,434,122 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Line 14.21 to Line 14.26) | \$ 12,668,680 | \$ 14,355,282 |
| 14.28 Total Investment in Parent included in Line 14.21 to Line 14.26 above | \$ | \$ |
- 15.1

Has the reporting entity entered into any hedging transactions reported on schedule DB?

Yes () No (X)
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

If no, attach a description with this statement.

Yes () No ()

GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes (X) No ()

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
BNY MELLON BANK	ONE MELLON CENTER, PITTSBURGH, PA 15258-0001
.....
.....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes () No (X)

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....
.....
.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
N/A	LONGWOOD INVESTMENT ADVISORS	3 RADNOR CORP CENTER, PITTSBURGH, PA
104474.....	SANFORD BERNSTEIN & CO	ONE NORTHE LEXINGTON AVE, WHITE PLAINS, NY 10601
25587.....	PIMCO ADVISORS	2187 ATLANTIC STREET, STAMFORD, CT 06902

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes (X) No ()

17.2 If no, list exceptions:

.....

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
0199998 - Life and Annuity - Affiliates						
0299998 - Life and Annuity - Non-Affiliates						
0399998 - Accident and Health - Affiliates						
Accident and Health - Non-Affiliates						
39845	48-0921045	01/01/2009	WESTPORT INSURANCE CORPORATION	OVERLAND PARK, KS 66201	SSL/A/I	Yes
0499998 - Accident and Health - Non-Affiliates						
0599998 - Property/Casualty - Affiliates						
0699998 - Property/Casualty - Non-Affiliates						

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1		Direct Business Only Year to Date							
	Active Status		2	3	4	5	6	7	8	9
			Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Column 2 Through Column 7	Deposit-Type Contracts
1. Alabama	AL	N								
2. Alaska	AK	N								
3. Arizona	AZ	N								
4. Arkansas	AR	N								
5. California	CA	N								
6. Colorado	CO	N								
7. Connecticut	CT	N								
8. Delaware	DE	N								
9. District of Columbia	DC	N								
10. Florida	FL	N								
11. Georgia	GA	N								
12. Hawaii	HI	N								
13. Idaho	ID	N								
14. Illinois	IL	N								
15. Indiana	IN	N								
16. Iowa	IA	N								
17. Kansas	KS	N								
18. Kentucky	KY	N								
19. Louisiana	LA	N								
20. Maine	ME	N								
21. Maryland	MD	N								
22. Massachusetts	MA	N								
23. Michigan	MI	L	88,690,363			2,066,424			90,756,787	
24. Minnesota	MN	N								
25. Mississippi	MS	N								
26. Missouri	MO	N								
27. Montana	MT	N								
28. Nebraska	NE	N								
29. Nevada	NV	N								
30. New Hampshire	NH	N								
31. New Jersey	NJ	N								
32. New Mexico	NM	N								
33. New York	NY	N								
34. North Carolina	NC	N								
35. North Dakota	ND	N								
36. Ohio	OH	N								
37. Oklahoma	OK	N								
38. Oregon	OR	N								
39. Pennsylvania	PA	N								
40. Rhode Island	RI	N								
41. South Carolina	SC	N								
42. South Dakota	SD	N								
43. Tennessee	TN	N								
44. Texas	TX	N								
45. Utah	UT	N								
46. Vermont	VT	N								
47. Virginia	VA	N								
48. Washington	WA	N								
49. West Virginia	WV	N								
50. Wisconsin	WI	N								
51. Wyoming	WY	N								
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N								
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CN	N								
58. Aggregate Other Alien	OT	X X X								
59. Subtotal		X X X	88,690,363			2,066,424			90,756,787	
60. Reporting entity contributions for Employee Benefit Plans		X X X								
61. Total (Direct Business)	(a)	1	88,690,363			2,066,424			90,756,787	
DETAILS OF WRITE-INS										
5801.										
5802.										
5803.										
5898.										
5899.										
Summary of remaining write-ins for Line 58 from overflow page										
Total (Line 5801 through Line 5803 plus Line 5898)										
(Line 58 above)										

(a) Insert the number of "L" responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES
OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

	NAIC Group Code	Group Name	NAIC Company Code	State of Domicile	FEI Number	Name of Company
1	3408	SPARROW HEALTH SYSTEM		MI		SPARROW WOMEN'S HOSPITAL ASSOCIATION
2	3408	SPARROW HEALTH SYSTEM		MI	381360584	E.W. SPARROW HOSPITAL ASSOCIATION
3	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		MID-MICHIGAN MRI, INC
4	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		SPARROW PHYSICIANS HEALTH NETWORK
5	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		GRADUATE MEDICAL EDUCATION, INC
6	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		PREMIER
7	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		CAYMICH INSURANCE CO, LTD
8	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		FINCOR HOLDINGS, INC
9	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		NORTH GRAND RIVER COOPERATIVE
10	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		LANSING MEDICAL DENTAL BUILDING
11	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		MEDICAL CENTER WEST CONDO ASSOCIATION
12	3408	E.W. SPARROW HOSPITAL ASSOCIATION		MI		IONIA COUNTY MEMORIAL HOSPITAL
13	3408	SPARROW HEALTH SYSTEM		MI	381358172	CLINTON MEMORIAL HOSPITAL
14	3408	SPARROW HEALTH SYSTEM		MI	386100687	SPARROW FOUNDATION
15	3408	SPARROW HEALTH SYSTEM	95849	MI	382356288	PHYSICIAN HEALTH PLAN OF MID-MICHIGAN
16	3408	PHYSICIANS HEALTH PLAN OF MID-MICHIGAN		MI	383361367	PHYSICIAN HEALTH PLAN SHARED SVCS ORG
17	3408	PHYSICIANS HEALTH PLAN OF MID-MICHIGAN		MI	382594856	PHPMM TPA
18	3408	PHYSICIANS HEALTH PLAN OF MID-MICHIGAN	11537	MI	364497604	PHPMM FAMILYCARE
19	3408	PHYSICIANS HEALTH PLAN OF MID-MICHIGAN	12916	MI	205565219	PHPMM INSURANCE COMPANY
20	3408	SPARROW HEALTH SYSTEM		MI	382543305	SPARROW HOME CARE
21	3408	SPARROW HEALTH SYSTEM		MI	382594856	PHYSICIANS HEALTH NETWORK
22	3408	SPARROW HEALTH SYSTEM		MI	382595963	SPARROW DEVELOPMENT, INC
23	3408	SPARROW DEVELOPMENT, INC		MI		PHARMACY PLUS
24	3408	SPARROW DEVELOPMENT, INC		MI		ST LAWRENCE OR MGT CO, LLC
25	3408	SPARROW DEVELOPMENT, INC		MI		MICHIGAN ATHLETIC CLUB
26	3408	SPARROW DEVELOPMENT, INC		MI		SPARROW PRACTICE MGT COMPANY
27	3408	SPARROW DEVELOPMENT, INC		MI		SPARROW REGIONAL MEDICAL SUPPLY
28	3408	SPARROW HEALTH SYSTEM		MI		CARSON CITY HOSPITAL
29	3408	SPARROW HEALTH SYSTEM		MI		SPARROW SPECIALTY HOSPITAL

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing . However , in the event that your company does not transact the type of business for which the special report must be filed , your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below . If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATIONS and provide an explanation following the interrogatory questions .

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	YES

EXPLANATIONS:

.....

BAR CODE:

Document Identifier 365:

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	2,127,818	2,215,242
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation	43,711	87,424
9. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 minus Line 5 plus Line 6 minus Line 7 plus Line 8)	2,084,107	2,127,818
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	2,084,107	2,127,818

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition ..		
2.2 Additional investment made after ac		
3. Capitalized deferred interest and other ..		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals ..		
8. Deduct amortization of premium and mort		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)		
12. Total Valuation Allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	7,518,510	7,905,678
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	423,532	(387,168)
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)	7,942,042	7,518,510
12. Deduct total nonadmitted amounts	507,920	2,168,628
13. Statement value at end of current period (Line 11 minus Line 12)	7,434,122	5,349,882

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	13,282,578	17,772,897
2. Cost of bonds and stocks acquired	1,260,336	11,823,565
3. Accrual of discount		
4. Unrealized valuation increase (decrease)	1,002,492	(2,395,977)
5. Total gain (loss) on disposals	(681,007)	(870,509)
6. Deduct consideration for bonds and stocks disposed of	1,682,213	11,757,742
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		1,289,656
10. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus Line 5 minus Line 6 minus Line 7 plus Line 8 minus Line 9)	13,182,186	13,282,578
11. Deduct total nonadmitted amounts	5,347	43,285
12. Statement value at end of current period (Line 10 minus Line 11)	13,176,839	13,239,293

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	52,555,545	29,491,720	30,665,794		52,555,545	51,381,471		45,719,154
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	52,555,545	29,491,720	30,665,794		52,555,545	51,381,471		45,719,154
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	52,555,545	29,491,720	30,665,794		52,555,545	51,381,471		45,719,154

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....; NAIC 2 \$.....; NAIC 3 \$.....; NAIC 4 \$.....; NAIC 5 \$.....; NAIC 6 \$.....

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999 Totals .....	.51,381,472	X X X	.51,381,472	153,693	.....

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year .....	.45,719,155	.53,050,491
2. Cost of short-term investments acquired .....	.59,166,829	.151,684,145
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals .....	.53,504,512	.159,015,481
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) .....	.51,381,472	.45,719,155
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11) .....	.51,381,472	.45,719,155

Page SI04

Schedule DB, Pt. F, Section 1, Replicated (Synthetic) Assets Open
NONE

Page SI05

Sch. DB, Pt. F, Sn. 2, Reconciliation Replicated (Syn.) Assets
NONE

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year
2. Cost of short-term investments acquired
3. Accrual of discount
4. Unrealized valuation incre
5. Total gain (loss) on disp
6. Deduct consideration rec
7. Deduct amortization of pi
8. Total foreign exchange cl
9. Deduct current year's other than temporary impairment recognized
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9)
11. Deduct total nonadmitted amounts
12. Statement value at end of current period (Line 10 minus Line 11)

NONE

Page E01

Sch. A, Pt. 2, Real Estate Acquired
NONE

Sch. A, Pt. 3, Real Estate Disposed
NONE

Page E02

Schedule B, Part 2, Mortgage Loans Acquired
NONE

Schedule B, Part 3, Mortgage Loans Disposed
NONE

Page E03

Sch. BA, Pt. 2, Other Long-Term Invested Assets Acquired
NONE

Sch. BA, Pt. 3, Other Long-Term Invested Assets Disposed
NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Common Stocks - Industrial and Miscellaneous (Unaffiliated)									
00206R-10-2	AT & T INC COM		06/25/2009	SHERWOOD SECS/BROADC	250.000	6,236			L
14149Y-10-8	CARDINAL HEALTH INC COM		04/06/2009	NATWEST SECS CORP #3	200.000	6,565			L
149123-10-1	CATERPILLAR INC		05/29/2009	CITIGROUP GBL MKTS/S	275.000	9,671			L
166764-10-0	CHEVRON CORPORATION COM		04/06/2009	UBS SECURITIES INC,	75.000	5,190			L
20030N-10-1	COMCAST CORP NEW CL A		04/14/2009	CITIGROUP GBL MKTS/S	1,500.000	20,979			L
23331A-10-9	D R HORTON INC		06/19/2009	UBS SECURITIES INC,	1,000.000	9,362			L
25179M-10-3	DEVON ENERGY CORP NEW COM		04/02/2009	ICAP CORPORATES LLC,	100.000	4,873			L
263534-10-9	DU PONT E I DE NEMOURS & CO COM		06/25/2009	VARIOUS	1,500.000	39,859			L
26874Q-10-0	ENSCO INTL INC COM		05/27/2009	GOLDMAN SACHS EXECUT	250.000	9,139			L
26875P-10-1	EOG RES INC COM		04/02/2009	UBS SECURITIES INC,	75.000	4,469			L
46625H-10-0	JPMORGAN CHASE & CO COM		06/19/2009	VARIOUS	600.000	20,957			L
532457-10-8	LILLY ELI & CO COM		04/01/2009	CITIGROUP GBL MKTS/S	500.000	16,593			L
574599-10-6	MASCO CORP COM		05/27/2009	FX- CREDIT SUISSE FI	950.000	9,777			L
666807-10-2	NORTHROP GRUMMAN CORP COM		04/20/2009	FX- CREDIT SUISSE FI	100.000	4,708			L
674599-10-5	OCCIDENTAL PETE CORP COM		06/25/2009	GOLDMAN SACHS EXECUT	175.000	11,324			L
742718-10-9	PROCTER & GAMBLE CO/THE		04/14/2009	VARIOUS	750.000	36,531			L
74971X-10-7	RRI ENERGY INC		05/04/2009	ID NUMBER CHANGE	1,800.000	19,989			L
806605-10-1	SCHERING PLOUGH CORP COM		05/15/2009	CITIGROUP GBL MKTS/S	200.000	4,705			L
832248-10-8	SMITHFIELD FOODS INC COM		06/22/2009	INVESTMENT TECHNOLOG	850.000	10,417			L
871503-10-8	SYMANTEC CORP COM		04/15/2009	FX- CREDIT SUISSE FI	800.000	13,137			L
88732J-20-7	TIME WARNER CABLE INC		04/14/2009	BARCLAYS CAPITAL LE,	448.000	12,421			L
902973-30-4	US BANCORP DEL COM NEW		05/11/2009	MORGAN STANLEY & CO	1,500.000	27,000			L
91529Y-10-6	UNUM GROUP		05/15/2009	UBS SECURITIES INC,	550.000	9,186			L
65334H-10-2	NEXEN INC	F	06/01/2009	FX- CREDIT SUISSE FI	800.000	20,819			L
92857W-20-9	VODAFONE GROUP PLC NEW SPONSORED ADR NEW	F	06/09/2009	VARIOUS	1,100.000	20,370			L
D18190-89-8	DEUTSCHE BANK AG NAMEN-AKT REG		05/08/2009	SHERWOOD SECS/BROADC	250.000	14,429			L
G16962-10-5	BUNGE LIMITED COM		04/29/2009	GOLDMAN SACHS EXECUT	100.000	4,744			L
G24182-10-0	COOPER INDUSTRIES LTD CL A	F	04/14/2009	CITIGROUP GBL MKTS/S	500.000	13,893			L
G4776G-10-1	INGERSOLL-RAND COMPANY LTD COM	F	06/01/2009	BAYPOINT TRADING LLC	850.000	19,360			L
G9144P-10-5	TYCO ELECTRONICS LTD SHS WHEN ISSUED		05/15/2009	LIQUIDNET INC, BROOK	1,300.000	22,693			L
H0023R-10-5	ACE LTD		04/20/2009	CITIGROUP GBL MKTS/S	150.000	6,621			L
H8912P-10-6	TYCO ELECTRONICS LTD		06/26/2009	ID NUMBER CHANGE	1,300.000	22,693			L
9099999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					458,710			
9799997	Subtotal - Common Stocks - Part 3					458,710			
9799999	Subtotal - Common Stocks					458,710			
9899999	Subtotal - Preferred and Common Stocks					458,710			
9999999	TOTALS					458,710			

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold , Redeemed or Otherwise Disposed of
by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book / Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identifi- cation	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort- ization) / Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B. /A. C. V. (11+12-13)	Total Foreign Exchange Change in B. /A. C. V.	Book /Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designa- tion or Market Indi- cator (a)
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
020002-10-1	ALLSTATE CORP COM		05/04/2009	BARCLAYS CAPITAL LE,	450.000	10,400		14,742	14,742	8,605			8,605		14,742		(4,342)	(4,342)	275		L
031162-10-0	AMGEN INC COM		06/22/2009	UBS SECURITIES INC,	300.000	15,353		15,239	17,325	(2,086)			(2,086)		15,239		115	115			L
052800-10-9	AUTOLIV INC COM		06/16/2009	CITIGROUP GBL MKTS/S	300.000	8,697		6,438	9,316				9,316		6,438		2,259	2,259	63		L
166764-10-0	CHEVRON CORPORATION COM		06/16/2009	VARIOUS	200.000	14,026		17,440	14,794	2,646			2,646		17,440		(3,414)	(3,414)	260		L
20030N-10-1	COMCAST CORP NEW CL A		06/16/2009	UBS SECURITIES INC,	1,500.000	20,401		20,979							20,979		(578)	(578)			L
219350-10-5	CORNING INC COM		04/06/2009	CITIGROUP GBL MKTS/S	1,500.000	23,452		12,374	14,295	(1,921)			(1,921)		12,374		11,078	11,078	75		L
25179M-10-3	DEVON ENERGY CORP NEW COM		05/20/2009	GOLDMAN SACHS EXECUT	150.000	9,598		16,147	9,857	6,290			6,290		16,147		(6,549)	(6,549)	24		L
254687-10-6	DISNEY WALT CO COM		06/05/2009	MORGAN J P SECS INC,	1,000.000	25,194		22,690	22,690	9,067			9,067		22,690		2,504	2,504	350		L
277432-10-0	EASTMAN CHEM CO COM		06/08/2009	WILLIAMS CAPITAL GRO	275.000	11,508		9,802	8,720	1,082			1,082		9,802		1,706	1,706	242		L
364730-10-1	GANNETT INC COM		03/26/2009	FIDELITY CAP MKTS CO															60		L
38141G-10-4	GOLDMAN SACHS GROUP INC COM		04/08/2009	FX- CREDIT SUISSE FI	100.000	11,566		8,439	8,439	8,672			8,672		8,439		3,127	3,127	47		L
437076-10-2	HOME DEPOT INC COM		05/12/2009	CITIGROUP GBL MKTS/S	450.000	11,051		8,834	10,359	(1,525)			(1,525)		8,834		2,216	2,216	101		L
589331-10-7	MERCK & CO INC COM		04/02/2009	UBS SECURITIES INC,	325.000	8,834		9,867	9,880	4,036			4,036		9,867		(1,032)	(1,032)	247		L
59156R-10-8	METLIFE INC COM		06/24/2009	VARIOUS	650.000	19,707		22,659	22,659	15,229			15,229		22,659		(2,952)	(2,952)			L
617446-44-8	MORGAN STANLEY		06/12/2009	SHERWOOD SECS/BROADC	550.000	16,315		12,331	8,822	13,485			13,485		12,331		3,984	3,984	185		L
67066G-10-4	NVIDIA CORP COM		05/28/2009	RBC CAPITAL MARKETS	775.000	8,112		7,630	6,254	1,375			1,375		7,630		482	482			L
708160-10-6	JC PENNEY CO INC COM		04/20/2009	CITIGROUP GBL MKTS/S	175.000	4,465		3,052	3,448	(395)			(395)		3,052		1,413	1,413	70		L
75952B-10-5	RELARIANT ENERGY INC		05/04/2009	ID NUMBER CHANGE	1,800.000	19,989		19,989	10,404	9,585			9,585		19,989				142		L
786514-20-8	SAFeway INC NEW COM		05/21/2009	SHERWOOD SECS/BROADC	900.000	17,784		17,128	21,393	(4,265)			(4,265)		17,128		656	656	149		L
872540-10-9	TJX COS INC NEW COM		05/08/2009	VARIOUS	800.000	21,696		15,875	16,456	(581)			(581)		15,875		5,821	5,821	88		L
88732J-20-7	TIME WARNER CABLE INC		04/20/2009	NON-BROKER TRADE, BO		1		1							1						L
89417E-10-9	TRAVELERS COS INC COM		06/24/2009	FX- CREDIT SUISSE FI	325.000	13,350		16,432	14,690	1,742			1,742		16,432		(3,082)	(3,082)	195		L
902494-10-3	TYSON FOODS INC CL A		06/22/2009	FX- CREDIT SUISSE FI	1,000.000	12,088		8,558							8,558		3,529	3,529	80		L
92343V-10-4	VERIZON COMMUNICATIONS COM		04/30/2009	COWEN & CO, NEW YORK	450.000	13,649		16,209	15,255	954			954		16,209		(2,561)	(2,561)	414		L
958102-10-5	WESTERN DIGITAL CORP DEL COM		05/22/2009	JEFFERIES & CO INC,	750.000	18,467		12,768	8,588	15,583			15,583		12,768		5,699	5,699			L
983024-10-0	WYETH		05/26/2009	VARIOUS	700.000	30,037		27,590	26,257	1,333			1,333		27,590		2,447	2,447	270		L
294821-60-8	ERICSSON L M TEL CO ADR CL B SEK 10 N	F	05/04/2009	MORGAN STANLEY & CO	900.000	7,803		7,237	7,029	208			208		7,237		566	566	206		L
654902-20-4	NOKIA CORP SPON ADR SER A COM	F	06/26/2009	VARIOUS	1,150.000	16,342		19,859	17,940	1,919			1,919		19,859		(3,517)	(3,517)	45		L
780259-20-6	ROYAL DUTCH SHELL PLC SPONSORED ADR R	F	04/30/2009	GOLDMAN SACHS EXECUT	150.000	7,007		7,941	7,941	2,650			2,650		7,941		(934)	(934)	82		L
80105N-10-5	SANOFI-AVENTIS ADR	F	05/22/2009	UBS SECURITIES INC,	500.000	15,244		16,211	16,080	131			131		16,211		(967)	(967)	559		L
D18190-89-8	DEUTSCHE BANK AG NAMEN-AKT REG		04/09/2009	SHERWOOD SECS/BROADC	250.000	12,186		10,173	10,173	19,797			19,797		10,173		2,014	2,014			L
G16962-10-5	BUNGE LIMITED COM		04/14/2009	MORGAN STANLEY & CO	500.000	29,020		20,726	18,120	(3,711)			(3,711)		20,726		8,294	8,294	95		L
G9144P-10-5	TYCO ELECTRONICS LTD SHS WHEN ISSUED		06/26/2009	ID NUMBER CHANGE	1,300.000	22,693		22,693							22,693						L
9099999	- Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					476,035		448,053	369,048	119,221			119,221		448,053		27,982	27,982	4,324		
9799997	- Subtotal - Common Stocks - Part 4					476,035		448,053	369,048	119,221			119,221		448,053		27,982	27,982	4,324		
9799999	- Subtotal - Common Stocks					476,035		448,053	369,048	119,221			119,221		448,053		27,982	27,982	4,324		
9899999	- Subtotal - Preferred and Common Stocks					476,035		448,053	369,048	119,221			119,221		448,053		27,982	27,982	4,324		
9999999	- TOTALS					476,035		448,053	369,048	119,221			119,221		448,053		27,982	27,982	4,324		

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues

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Schedule DB, Part A, Section 1
NONE

Schedule DB, Part B, Section 1
NONE

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Schedule DB, Part C, Section 1
NONE

Schedule DB, Part D, Section 1
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
		Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
Name	Location and Supplemental Information					First Month	Second Month	Third Month	
Open Depositories									
COMERICA BANK	LANSING, MICHIGAN					(5,914,603)	(4,961,207)	(4,714,653)	
0199999 - TOTAL - Open Depositories						(5,914,603)	(4,961,207)	(4,714,653)	
0399999 - TOTAL Cash on Deposit						(5,914,603)	(4,961,207)	(4,714,653)	
0599999 - TOTALS						(5,914,603)	(4,961,207)	(4,714,653)	

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Schedule E, Part 2, Cash Equivalents
NONE



SUPPLEMENT FOR THE QUARTER ENDING JUNE 30 , 2009 OF THE PHYSICIANS HEALTH PLAN OF MID MICHIGAN

MEDICARE PART D COVERAGE SUPPLEMENT
(Net of Reinsurance)

NAIC Group Code: 3408 NAIC Company Code: 95849

	1	2	3	4	5
	Individual Coverage		Group Coverage		Total Cash
	Insured	Uninsured	Insured	Uninsured	
1. Premiums Collected	<div>NONE</div>				XXX
2. Earned Premiums					XXX
3. Claims Paid					XXX
4. Claims Incurred					XXX
5. Reinsurance Coverage and Low Income (
Claims Paid Net of Reimbursements App					
6. Aggregate Policy Reserves - Change ...					XXX
7. Expenses Paid					XXX
8. Expenses Incurred					XXX
9. Underwriting Gain or Loss					XXX
10. Cash Flow Result	XXX	XXX	XXX	XXX	
(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ due from CMS or \$ due to CMS					